

CHAPMAN AND CUTLER

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Henry E. Cutler
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20198
RECORDATION NO. FILED 1425

July 30, 1996 JUL 29 1996 2:00 PM

INTERSTATE COMMERCE COMMISSION

20198
RECORDATION NO. FILED 1425

JUL 29 1996 2:50 PM

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Twelfth Street & Constitution Avenue, N.W.
Washington, DC 20423

Re: Union Pacific Railroad Company
Leveraged Lease Locomotive Financing
UPRR 1996-A

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, three copies of each of the primary documents and the secondary documents described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The primary documents are as follows:

(1) Memorandum of Lease Agreement (UPRR 1996-A), dated July 30, 1996, between Dia Earth Ltd., as lessor (the "Lessor"), and Union Pacific Railroad Company, as lessee (the "Lessee"); and

(2) Memorandum of Mortgage and Security Agreement (UPRR 1996-A), dated July 30, 1996, between the Lessor, as borrower (the "Borrower"), and Harris Trust and Savings Bank, as security trustee (the "Security Trustee").

The secondary documents are as follows:

(1) Memorandum of Lease Supplement No. 1 (UPRR 1996-A), dated July 30, 1996, between the Lessee and the Lessor;

(2) Memorandum of Mortgage Supplement No. 1 (UPRR 1996-A), dated July 30, 1996, between the Lessor, as Borrower, and the Security Trustee;

~~(3) Memorandum of Dollar Account Pledge Agreement (UPRR 1996-A), dated July 30, 1996, between Kreditanstalt für Wiederaufbau ("KfW"), as agent (the "Agent"), and the Lessor, as Borrower; and~~

Law Offices of
CHAPMAN AND CUTLER

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(2) Memorandum of Yen Assignment Agreement (UPRR 1996-A), dated July 30, 1996, between the Lessor, as assignor (the "Assignor"), and The Bank of Tokyo-Mitsubishi, Ltd., as assignee (the "Assignee").

The primary documents to which Memorandum of Lease Supplement No. 1 (UPRR 1996-A) and Memorandum of Mortgage Supplement No. 1 (UPRR 1996-A) are connected are the Memorandum of Lease Agreement (UPRR 1996-A) and the Memorandum of Mortgage and Security Agreement (UPRR 1996-A), respectively, referred to above, which are being submitted for recording concurrently therewith.

The names and addresses of the parties to the enclosed documents are as follows:

MEMORANDUM OF LEASE AGREEMENT

Lessee:	Union Pacific Railroad Company Eighth & Eaton Avenues Martin Tower Bethlehem, Pennsylvania 18018
Lessor:	Dia Earth Ltd. 7-2 Yaesu 2-chome Chuo-ku, Tokyo 104 Japan Attention: General Manager, Project Development Department

MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT

Borrower:	Dia Earth Ltd. 7-2 Yaesu 2-chome Chuo-ku, Tokyo 104 Japan Attention: General Manager, Project Development Department
Security Trustee:	Harris Trust and Savings Bank, as Security Trustee 311 West Monroe Street Chicago, Illinois 60690

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MEMORANDUM OF LEASE SUPPLEMENT NO. 1

Lessee: Union Pacific Railroad Company
Eighth & Eaton Avenues
Martin Tower
Bethlehem, Pennsylvania 18018

Lessor: Dia Earth Ltd.
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan
Attention: General Manager, Project Development
Department

MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1

Borrower: Dia Earth Ltd.
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan
Attention: General Manager, Project Development
Department

Security Trustee: Harris Trust and Savings Bank,
as Security Trustee
311 West Monroe Street
Chicago, Illinois 60690

~~MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT~~

~~Borrower: Dia Earth Ltd.~~
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan
Attention: General Manager, Project Development
Department

~~Agent: Kreditanstalt für Wiederaufbau~~
Palmengartenstrasse 5-9
60325 Frankfurt am Main, Germany

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Mr. Vernon A. Williams, Secretary

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MEMORANDUM OF YEN ASSIGNMENT AGREEMENT

Assignor: Dia Earth Ltd.
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan
Attention: General Manager, Project Development
Department

Assignee: The Bank of Tokyo-Mitsubishi, Ltd.
1251 Avenue of the Americas
New York, New York 10020-1104

The description of the equipment covered as of the date hereof by the aforesaid Memorandum of Lease Agreement, Memorandum of Mortgage and Security Agreement, Memorandum of Lease Supplement No. 1, Memorandum of Mortgage Supplement No. 1, Memorandum of Dollar Account Pledge Agreement and the Memorandum of Yen Assignment Agreement is as set forth on Exhibit A hereto.

A fee of one hundred twenty-six dollars (\$126.00) is enclosed. Please time and date stamp the enclosed copies of each of the enclosed documents along with the extra copy of this letter as proof of filing and recordation of the enclosed documents and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

A short summary of each of the documents to appear in the index follows:

(1) MEMORANDUM OF LEASE AGREEMENT:

Memorandum of Lease Agreement (UPRR 1996-A) between Dia Earth Ltd., as Lessor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, and Union Pacific Railroad Company, as Lessee, Eighth & Eaton Avenues, Martin Tower, Bethlehem, Pennsylvania 18018, dated July 30, 1996, covering diesel electric locomotives bearing the road numbers listed in the Schedule thereto.

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(2) MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT:

Memorandum of Mortgage and Security Agreement (UPRR 1996-A) between Dia Earth Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, and Harris Trust and Savings Bank, as Security Trustee, 311 West Monroe Street, Chicago, Illinois 60690, dated July 30, 1996, covering the obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing the road numbers listed in the Schedule thereto.

(3) MEMORANDUM OF LEASE SUPPLEMENT NO. 1:

Memorandum of Lease Supplement No. 1 (UPRR 1996-A) between Dia Earth Ltd., as Lessor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, and Union Pacific Railroad Company, as Lessee, Eighth & Eaton Avenues, Martin Tower, Bethlehem, Pennsylvania 18018, dated July 30, 1996, covering diesel electric locomotives bearing the road numbers listed in the Schedule thereto. Memorandum of Lease Supplement No. 1 is related to the Memorandum of Lease Agreement between the Lessor and the Lessee, dated July 30, 1996, which is filed concurrently herewith.

(4) MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1:

Memorandum of Mortgage Supplement No. 1 (UPRR 1996-A) between Dia Earth Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, and Harris Trust and Savings Bank, as Security Trustee, 311 West Monroe Street, Chicago, Illinois 60690, dated July 30, 1996, covering the obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing road numbers listed in the Schedule thereto. The Memorandum of Mortgage Supplement No. 1 is related to the Memorandum of Mortgage and Security Agreement between the Borrower and the Security Trustee, dated July 30, 1996, which is filed concurrently herewith.

~~(5) MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT:~~

Memorandum of Dollar Account Pledge Agreement (UPRR 1996-A) between Kreditanstalt für Wiederaufbau, as Agent, Palmengartenstrasse 5-9, 60325 Frankfurt am Main, Germany, and Dia Earth Ltd., as Borrower, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, dated July 30, 1996, relating to the grant by the Borrower to the Agent of a security interest in the Borrower's right, title and interest in and to the Dollar Account described in the Dollar Account Pledge Agreement, dated July 30, 1996, between the Agent and the Borrower.

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(6) MEMORANDUM OF YEN ASSIGNMENT AGREEMENT:

Memorandum of Yen Assignment Agreement (UPRR 1996-A) between Dia Earth Ltd., as Assignor, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, Attention: General Manager, Project Development Department, and The Bank of Tokyo-Mitsubishi, Ltd., as Assignee, 1251 Avenue of the Americas, New York, New York 10020-1104, dated July 30, 1996, relating to the grant by the Assignor to the Assignee of a security interest in the Assignor's right, title and interest in and to the Collateral described in the Yen Assignment Agreement, dated July 30, 1996, between the Assignor and the Assignee.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By Karl T. Williams
Karl T. Williams

KTW/wp
Enclosures

JUL 29 1996 -2 05 PM

MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT
(UPRR 1996-A)

Memorandum of Mortgage and Security Agreement, made and entered into on July 30, 1996 by and between Harris Trust and Savings Bank, an Illinois banking corporation, as security trustee ("*Security Trustee*"), and Dia Earth Ltd., a Japanese corporation ("*Borrower*").

WITNESSETH:

The undersigned have entered into that certain Mortgage and Security Agreement (UPRR 1996-A) (the "*Mortgage*"), dated July 19, 1996, by which the Borrower has granted a security interest in certain locomotives bearing road numbers as listed on Exhibit A attached hereto to the Security Trustee in order to secure the Borrower's performance of its obligations as described in the Loan Agreement (UPRR 1996-A), dated July 19, 1996, between the Borrower and Kreditanstalt für Wiederaufbau, and in the Mortgage.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

HARRIS TRUST AND SAVINGS BANK

By J. Bartolini
Name: J. BARTOLINI
Title: VICE PRESIDENT

Executed on this 24th day of July, 1996.

DIA EARTH LTD.

By _____
Name:
Title:

Executed on this ____ day of July, 1996.

**MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT
(UPRR 1996-A)**

Memorandum of Mortgage and Security Agreement, made and entered into on July 30, 1996 by and between Harris Trust and Savings Bank, an Illinois banking corporation, as security trustee ("*Security Trustee*"), and Dia Earth Ltd., a Japanese corporation ("*Borrower*").

WITNESSETH:

The undersigned have entered into that certain Mortgage and Security Agreement (UPRR 1996-A) (the "*Mortgage*"), dated July 19, 1996, by which the Borrower has granted a security interest in certain locomotives bearing road numbers as listed on Exhibit A attached hereto to the Security Trustee in order to secure the Borrower's performance of its obligations as described in the Loan Agreement (UPRR 1996-A), dated July 19, 1996, between the Borrower and Kreditanstalt für Wiederaufbau, and in the Mortgage.


IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

HARRIS TRUST AND SAVINGS BANK

By _____
Name:
Title:

Executed on this ____ day of July, 1996.

DIA EARTH LTD.

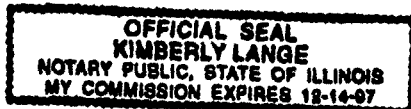
By  _____
Name: Yoichi Hara
Title: Attorney-in-Fact


Executed on this 25th day of July, 1996.

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS.:

On this, the 24th day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared J. Bartolini, who being by me duly sworn, says that he is the Vice President of HARRIS TRUST AND SAVINGS BANK, that said instrument was signed on July 24, 1996 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.




Name: Kimberley Lange
Notary Public
My Commission Expires:
Residing in _____

STATE OF NEW YORK)
)
COUNTY OF _____) SS.:

On this, the _____ day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared _____, who being by me duly sworn, says that (s)he is the _____ of DIA EARTH LTD., that said instrument was signed on July __, 1996 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF _____)
) SS.:
COUNTY OF _____)

On this, the _____ day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared _____, who being by me duly sworn, says that he is the _____ of HARRIS TRUST AND SAVINGS BANK, that said instrument was signed on July __, 1996 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

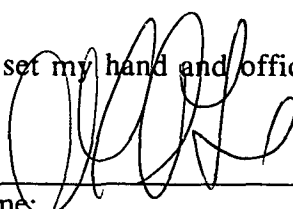
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the 25th day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that (s)he is the Attorney-in-Fact of DIA EARTH LTD., that said instrument was signed on July 25, 1996 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Name:
Notary Public
My Commission Expires:
Residing in _____

MARIO O. MORRONE
Notary Public, State of New York
No 02MO4811599
Qualified in Kings County
Commission Expires Oct. 31, 1996

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Electric Company AC 4400 CW Diesel Electric Locomotives	11	6827 through 6837, inclusive
General Motors Corporation (Electro-Motive Division) Model SD-90 MAC Diesel Electric Locomotives	18	8025 through 8042, inclusive